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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte NED HOFFMAN

Appeal 2007-2591
Application 09/639,948
Technology Center 3600

Decided: March 24, 2008

Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and
JOSEPH A. FISCHETTI, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Ned Hoffman (Appellant) seeks our review under 35 U.S.C. § 134 of the final rejection of claims 1-67. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM-IN-PART.¹

THE INVENTION

The Appellant's claimed invention "relates to tokenless biometric computer methods and systems which do not require the individual user to possess any man-made memory devices with resident user-customized information, such as smart cards, magnetic swipe cards or personal computers." (Specification 1:20-23).

Claims 1 and 32, reproduced below, are illustrative of the subject matter on appeal.

1. A method for tokenless biometric authorization of an electronic communication, using a biometric sample, a master electronic identifier, and a public communications network, wherein said method comprises:
 - a. an electronic communication formation step, wherein at least one communication comprising electronic data is formed;
 - b. a user registration step, wherein a user electronically submits a registration biometric sample taken directly from a person of the user;

¹ Our decision will make reference to Appellant's Appeal Brief ("App. Br.," filed Apr. 15, 2004) and Reply Brief ("Reply Br.," filed Sep. 7, 2004), and the Examiner's Answer ("Answer," mailed Jul. 14, 2004).

- c. a public network data transmittal step, wherein the registration biometric sample is electronically transmitted to a master electronic identicator via a public communications network, said master electronic identicator comprising a computer database which electronically stores all of the registration biometric samples from all of the registered users;
- d. a user registration biometric storage step, wherein the registration biometric sample is electronically stored within the master electronic identicator;
- e. a bid biometric transmittal step, wherein a bid biometric sample, taken directly from the person of the user, is electronically transmitted to at least one electronic identicator;
- f. a user identification step, wherein an electronic identicator compares the bid biometric sample to at least one registration biometric sample previously stored in an electronic identicator, for producing either a successful or failed identification of the user;
- g. an electronic communication authorization step, wherein upon a successful identification of the user by an electronic identicator, at least one electronic communication is authorized for execution;

wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.

32. A system for tokenless biometric authorization of an electronic communication, using an electronic communication input apparatus, a biometric input apparatus, and a master electronic identicator, wherein said system comprises:

- a. a communication input apparatus, further comprising a data entry device for formation of an electronic communication;
- b. a biometric input apparatus, further comprising a device for electronically scanning a biometric sample directly from a person of a user;
- c. at least one master electronic identicator, further comprising:
 - i) a computer database containing all of the electronically stored biometric samples from all of the registered users;
 - ii) a comparator that electronically compares a received biometric sample with previously stored biometric samples to deliver either a successful or failed identification of the user;
- d. a data transmittal public network that electronically transmits data between the biometric input apparatus and a master electronic identicator;
- e. an electronic communication authorization platform that authorizes execution of at least one electronic communication upon a successful identification of the user by an electronic identicator;

wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.

THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

| | | |
|--|--------------|---------------|
| Drexler | US 5,457,747 | Oct. 10, 1995 |
| Rechtin, Mark, "Fingerprint Technology Makes for Best ID System," Orange County Business Journal, Newport Beach, May 14, 1990, Vol. 12, Iss. 51, Sec. 1., p. 7. ProQuest document ID: 6020297. | | |

The following rejections are before us for review:

1. Claims 1-67 are rejected under 35 U.S.C. § 103(a) as unpatentable over Drexler and Rechtin.

ISSUES

The issue before us is whether the Appellant has shown that the Examiner erred in rejecting claims 1-67 as unpatentable over Drexler and Rechtin. This issue turns on whether the prior art would have led one having ordinary skill in the art to a method "wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards" (claim 1).

FINDINGS OF FACT

We find that the following enumerated findings are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

The scope and content of the prior art

1. According to the Examiner, Drexler discloses all the claimed steps but for “an inventive concept of an electronic communication is biometrically-authorized without the user having to present smartcards, or magnetic cards,” relying on the abstract, Figs 1 and 3, col. 2, l. 20 to col. 3, l. 36, and col. 4, l. 61 to col. 5, l. 2. Answer 4.
2. The Appellant does not appear to dispute the Examiner’s characterization of the scope and content of Drexler. See App. Br. 7-8. Accordingly, there is no dispute that Drexler does not disclose the subject matter of the clause in claim 1 “wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.”
3. According to the Examiner, Rechtin “teaches an inventive concept of an electronic communication is biometrically-authorized without the user having to present smartcards, or magnetic stripe cards (see abstract).” Answer 4.

4. The Appellant does not appear to dispute the Examiner's characterization of the scope and content of Rechtin. See App. Br. 7-9. Accordingly, there is no dispute that Rechtin discloses the subject matter of the clause in claim 1 "wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards."

Any differences between the claimed subject matter and the prior art

5. The claimed subject matter combines in a single method the Drexler method steps with Rechtin biometric-authorization, by which the user does not have to present smartcards or magnetic stripe cards.

The level of skill in the art

6. Neither the Examiner nor the Appellant has addressed the level of ordinary skill in the pertinent art of biometric authorization. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) ("[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error 'where the prior art itself reflects an appropriate level and a need for testimony is not shown'") (quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 163 (Fed. Cir. 1985).

Secondary considerations

7. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

PRINCIPLES OF LAW

“Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’” *KSR Int'l Co. v. Teleflex Inc.*, 127 S.Ct. 1727, 1734 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966). *See also KSR*, 127 S.Ct. at 1734 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”) The Court in *Graham* further noted that evidence of secondary considerations “might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” 383 U.S. at 18.

ANALYSIS

Claims 1, 3, 8, 13, 14, 16, 27, 28, 32, 33, 35, 40, 45, 46, 48, 59, 60, 66, and 67.

The Appellant groups claims 1, 3, 8, 13, 14, 16, 27, 28, 32, 33, 35, 40, 45, 46, 48, 59, 60, 66, and 67 as a first group (App. Br. 7). We select claim 1 (see *supra*) as the representative claim for this first group, and the remaining claims 3, 8, 13, 14, 16, 27, 28, 32, 33, 35, 40, 45, 46, 48, 59, 60, 66, and 67 stand or fall with claim 1. 37 C.F.R. § 41.37(c)(1)(vii) (2007).

There is no dispute that Drexler discloses all the claimed steps but for the subject matter of the clause in claim 1 “wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.” FF 2. There is no dispute that Rechtin discloses the subject matter of the clause in claim 1 “wherein an electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.” FF 4. The dispute is only over whether one of ordinary skill in the art, given Drexler and Rechtin, would have been led to the claimed invention. We have reviewed the record and find that the Appellant has not shown error in the Examiner’s determination of obviousness.

The claimed invention combines the steps of the Drexler method with Rechtin’s step of providing “an electronic communication [which] is biometrically-authorized without the user having to present smartcards or magnetic stripe cards” (claim 1). “The combination of familiar elements

according to known methods is likely to be obvious when it does no more than yield predictable results.” *KSR* at 1739. In that regard, the Appellant has provided no evidence of unpredictable results. FF 7. The ability to provide biometric authorization without the use of cards is a predictable result from adding the Rechtin step to the Drexler process.

The Appellant presented five arguments.²

(1) The Appellant argued that a person of ordinary skill would not combine the contradictory teachings of Drexler (which uses a card for biometric authorization) and Rechtin (which uses no card for biometric authorization) and the Examiner has provided no motivation to overcome the contradiction. App. Br. 8. This is not a persuasive argument because, as we stated *supra*, “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *Id.* The Appellant appears to be arguing from the standpoint that the claimed invention requires there be no card of any kind used at any point in the process. From that standpoint, the Appellant argues that one of ordinary skill would not substitute Drexler’s biometric authorization method, which requires a card, for one whereby biometric authorization *requires* that no

² The Appellant also argued that the finality of the Final Rejection of the claims under §103 was premature. See App. Br. 4-6 and Reply Brief 1-2. Given that our duty is to “review adverse decisions of examiners” (35 USC § (6)(b)), we will not address this matter, a matter which, though mooted by our decision, is nevertheless outside our jurisdiction.

card be used. However, claim 1 recites: “*an* electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.” Nothing in the claim *requires* that no card be used to effect biometric authorization. Had the claim indicated that “*said*” or “*the*” “electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards,” the Appellant’s argument would have been closer to the mark. The broadest reasonable construction of the claim in light of the specification as it would be interpreted by one of ordinary skill in the art is that claim 1 is limited only to the extent that “*an* electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards.”

Regarding the Appellant’s argument that the Examiner has not shown a motivation to combine the disclosures in the cited references that would lead one of ordinary skill in the art to arrive at the claimed invention with a reasonable expectation of success (see e.g., Reply Br. 3), this is not the standard for determining obviousness..

The Supreme Court decision in *KSR* has clarified the test for obviousness. In *KSR*, the Supreme Court emphasized “the need for caution in granting a patent based on the combination of elements found in the prior art,” *id.* at 1739, and discussed circumstances in which a patent might be determined to be obvious without an explicit application of the teaching, suggestion, motivation test. In particular, the Supreme Court emphasized

that “the principles laid down in *Graham* reaffirmed the ‘functional approach’ of *Hotchkiss*, 11 How. 248.” *Id.* (citing *Graham v. John Deere Co.*, 383 U.S. 1, 12 (1966) (emphasis added)), and reaffirmed principles based on its precedent that “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *Id.* The operative question in this “functional approach” is “whether the improvement is more than the predictable use of prior art elements according to their established functions.” *Id.* at 1740.

Here the Examiner explained that each of the steps of the claimed method was shown in the cited references and provided some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness for combining the steps in the manner claimed. “When a patent ‘simply arranges old elements with each performing the same function it had been known to perform’ and yields no more than one would expect from such an arrangement, the combination is obvious.” *Id.* at 1739, (quoting *Sakraida v. Ag Pro, Inc.*, 425 U.S. 273, 282, 96 S.Ct. 1532 (1976)). In that regard, the record does not include any objective evidence of secondary considerations, such as unexpected results for the claimed combination, to rebut the Examiner’s *prima facie* case of obviousness.

Accordingly, it was not necessary, as Appellants appear to argue, that the Examiner was required to show a suggestion to combine the teachings of the references and a reasonable expectation of success before coming to the

conclusion that the claimed method would have been obvious to one of ordinary skill in the art. In light of *KSR*, to establish a *prima facie* case of obviousness under 35 U.S.C. §103(a), it is sufficient to show that the claimed method is the combination of prior art steps to yield predictable results.

(2) The Appellant argued that Rechtin pre-dates Drexler and thus Drexler teaches away from not using cards. App. Br. 8. This is not a persuasive argument because the fact that Rechtin pre-dates Drexler shows that cardless biometric authorization was known. In light of that prior evidence, Drexler shows an alternative method whereby cards are used. Teachings of alternatives are not necessarily teachings away. *Cf. In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994).

(3) The Appellant argued that Rechtin does not enable one of ordinary skill to implement a cardless system. App. Br. 8. This is not a persuasive argument. Rechtin clearly discloses, as being well known, systems for cardless biometric authorization. Patented and salable devices are disclosed.

(4) The Appellant argued that Rechtin, published in 1990, predicted that cardless biometric systems would be ubiquitous in 5-10 years. Since that has not happened, according to the Appellant, the Appellant argued that Rechtin failed to appreciate the complexity of such systems. App. Br. 9. This argument is unpersuasive because Rechtin teaches that such a system is

known and on the market. The Appellant fails to explain what elements set forth in the claim reflects a complexity that one of ordinary skill reading Rechtin would not have appreciated.

(5) The Appellant argued that eliminating the card from Drexler's system would require Drexler to introduce another way of verifying a user's identity. App. Br. 9. This argument presumes the claimed method precludes *all* uses of cards to verify a user's identity. The broadest reasonable construction of claim 1 is that it does not require the elimination of the use of *all* cards to biometrically authorize a user's identity. The claimed subject matter requires only that "*an* electronic communication is biometrically-authorized without the user having to present smartcards or magnetic stripe cards." Thus the argument as to eliminating the card from Drexler's system is not commensurate in scope with what is claimed.

All the Appellant's arguments have been considered and found unpersuasive as to error in the rejection.

Claims 2 , 4-7, 9-12,15, 17-26, 29-31, 34, 36-39, 41-44, 47, 49-58, and 61-65.

The Appellant provided separate patentability arguments according to the following groups of claims:

- Claims 2, 34, and 61 (App. Br. 9 and Reply Br. 4);
- Claims 4 and 36 (App. 10 and Reply Br. 4);
- Claims 5-7, 9, 15, 37-39, 41, 47 (App. Br. 11 and Reply Br. 4);

- Claims 17-25, 49-57, 62, 64, and 65 (App. Br. 12 and Reply Br. 4);
- Claims 26, 29-31, 58, and 63 (App. Br. 12 and Reply Br. 4);
- Claims 10, 12, 42, and 44 (App. Br. 13 and Reply Br. 5); and,
- Claims 11 and 43 (App. Br. 13 and Reply Br. 5).

The Examiner responded by arguing, in its entirety: “As per claims 2-31 and 33-67, they are dependent upon claims 1 and 32 and disclose the same inventive concept as claim 1 and 32. Therefore, they are rejected under the same rationale.” Answer 6. We do not find that this type of approach in rejecting these claims meets the Examiner’s initial burden of establishing a *prima facie* case of obviousness. A *prima facie* case of obviousness is established by presenting evidence that would have led one of ordinary skill in the art to combine the relevant teachings of the references to arrive at the *claimed* invention. See *In re Fine*, 837 F.2d 1071, 1074 (Fed. Cir. 1988) and *In re Lintner*, 458 F.2d 1013, 1016 (CCPA 1972). Not only has the Examiner not addressed the limitations set forth in these claims in the first instance, but the Examiner appears to have also ignored the arguments for their patentability in the Appeal and Reply Briefs. Accordingly, we will not sustain the rejection of these claims.

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CONCLUSIONS OF LAW

We conclude the Appellant has failed to show that the Examiner erred in rejecting claims 1, 3, 8, 13, 14, 16, 27, 28, 32, 33, 35, 40, 45, 46, 48, 59, 60, 66, and 67 as unpatentable over Drexler and Rechtin. We conclude that the Appellant has shown that the Examiner erred in rejecting claims 2, 4-7, 9-12, 15, 17-26, 29-31, 34, 36-39, 41-44, 47, 49-58, and 61-65.

DECISION

The decision of the Examiner to reject claims 1-67 is affirmed-in-part.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a). *See* 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED-IN-PART

vsh

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